STAND. COM. REP. NO. 709

Honolulu, Hawaii

MAR 0 6 2015

RE: S.B. No. 661 S.D. 2

Honorable Donna Mercado Kim President of the Senate Twenty-Eighth State Legislature Regular Session of 2015 State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 661, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO UNMANNED AERIAL SYSTEMS TEST SITES,"

begs leave to report as follows:

The purpose and intent of this measure is to support the development and operation of an unmanned aerial systems test site in Hawaii.

More specifically, this measure:

- (1) Establishes the position of the Hawaii unmanned aerial systems test site chief operating officer within the University of Hawaii to serve on the Pan-Pacific Unmanned Aerial Systems Test Range Complex management team;
- (2) Establishes the Hawaii unmanned aerial systems test site advisory board as a subcommittee of the Hawaii Aerospace Advisory Committee, to oversee the planning and operation of the unmanned aerial systems test site; and
- (3) Appropriates moneys for the purpose of staffing and operating Hawaii's unmanned aerial systems test site activities.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism, and the Department of Transportation. Your Committee received written comments in opposition to this measure from one individual.

Your Committee finds that Hawaii, Alaska, and Oregon are cooperative members of the Pan-Pacific Aerial Systems Test Range Complex, which is one of the six Federal Aviation Administration designated national test sites for the development of unmanned aerial systems operating standards and regulations. The University of Alaska has established a board of directors to support a Pan-Pacific Aerial Systems Test Range Complex management team, and the board of directors is to include the chief operating officer from each state. Hawaii does not currently have a chief operating officer to join the board of directors.

Your Committee also finds that unmanned aerial systems are an emerging technology with significant capability for commercial and national security applications. The integration of this technology into the national airspace is estimated to be worth more than \$82,000,000,000 between 2015 and 2025, and it is expected to create 103,776 new jobs by 2025. Your Committee finds that, as a member of the Pan-Pacific Aerial Systems Test Range Complex, Hawaii should capitalize on this opportunity and support the development of technology that can have a substantial positive impact on Hawaii's economy.

Your Committee has amended this measure by:

- Clarifying the advisory board appointment process;
- (2) Deleting the provision that made the chief operating officer an ex officio member of the advisory board;
- (3) Establishing the chief operating officer position under the Department of Business, Economic Development, and Tourism, rather than with the University of Hawaii;
- (4) Authorizing the Department of Business, Economic Development, and Tourism to expend the appropriation, rather than the University of Hawaii; and
- (5) Making technical nonsubstantive amendments for clarity, consistency, and style.



As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 661, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 661, S.D. 2.

Respectfully submitted on behalf of the members of the Committee on Ways and Means,

JILL N. (TOKUDA, Chair

The Senate Twenty-Eighth Legislature State of Hawaiʻi

Record of Votes Committee on Ways and Means WAM

Bill / Resolution No.:* Committee Referral: Date: SB66 SD PSM/HEA, WAM 2/26/15				
The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:				
The Recommendation is:				
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313				
Members	Aye	Aye (WR)	Nay	Excused
TOKUDA, Jill N. (C)	V			
KOUCHI, Ronald D. (VC)	1			
CHUN OAKLAND, Suzanne	1			
DELA CRUZ, Donovan M.	V			· .
ENGLISH, J. Kalani	1//			
GALUTERIA, Brickwood	1			
HARIMOTO, Breene	V			
INOUYE, Lorraine R.	V			, , , , , , , , , , , , , , , , , , ,
RIVIERE, Gil				
RUDERMAN, Russell E.	V			
SLOM, Sam	<i>V</i>			
TOTAL	{		0	D
Recommendation: Adopted Not Adopted				
Chair's or Designee's Signature:				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes